

# Utility Shutoffs in Contra Costa County

HIDDEN DRIVER OF HOUSING CRISIS

A Report by TURN - The Utility Reform Network Power@Home: Every family deserves power at home and in the world. JULY 2020

### THANKS TO POWER@HOME PARTNERS CONTRA COSTA

We owe a debt of gratitude to our grassroots community partners, public health, policy, research, data and funding partners for making this project possible.

### **GRASSROOTS COMMUNITY PARTNERS**

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> Lift Up Contra Costa County Jess Jollett, Campaign Director

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#### AUTHORS

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## A NOTE ABOUT OUR LEAD PARTNER True Faith Community Baptist Church



Pastor Vickia Brinkley welcomes a packed crowd to True Faith Community Baptist Church for the Power@Home Training.

TURN lead partner, True Faith Community Baptist Church under the leadership of Senior Pastor Vickia Brinkley hosted a Power@Home training on June 2019 in Antioch, CA. Pastor Brinkley was clear on her goals and her commitment to the work: "This work is very necessary. Here at True Faith, community members come to our doors looking for solutions to help them out of the bind they are in from high utility bills they cannot afford to pay." The need for the training was overwhelming. True Faith hosted 75 community advocates, representing over 15 organizations.

Power@Home Trainings support service providers, public health

workers, and frontline staff who work with families struggling to make ends meet. The training provides tools and skills to help staff guide people to negotiate affordable payment plans and resolve unfair billing practices with their utility company such as over-billing and unfair billing, and provide strategies to avoid shutoffs.

"Getting people's lights back on, or avoiding a shutoff, is a first step," said Pastor Brinkley. "The next step is getting folks engaged in the direct advocacy that creates systemic change. Until we stop the outrageous rate hikes and end shutoffs there will never be enough funds in church coffers to meet the need."

TURN and True Faith collaborated to support Contra Costa County families threatened with utility shutoffs and facing potential evictions due to shutoffs and utility debt. This partnership also expanded TURN's consumer advocacy on policy issues at the California Public Utilities Commission (CPUC). Contra Costa residents organized to provide compelling public testimony regarding PG&E rate hikes, urging CPUC Commissioners to deny PG&E's proposed rate increase and hold PG&E accountable for mismanagement and negligence that has resulted in loss of property and life.

Until we stop the outrageous rate hikes and end shutoffs there will never be enough funds in church coffers to meet the need.

Pastor Vickia Brinkley



Top: Attendees at the Power@Home Training hosted by True Faith. Bottom: TURN's former Organizing Director, Ana Montes leads a role play exercise.

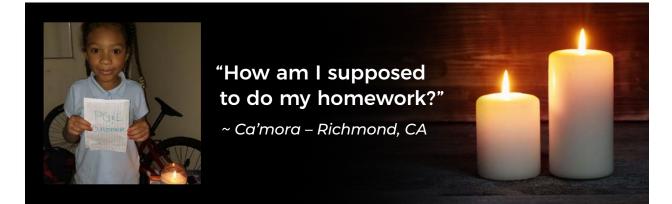


# The Power@Home Campaign

Alarmed by skyrocketing increases in utility shutoffs throughout California, TURN launched the Power@Home Campaign in 2016. One out of four California residents was struggling to keep the lights on and energy insecurity was threatening the health and wellbeing of millions of utility customers.

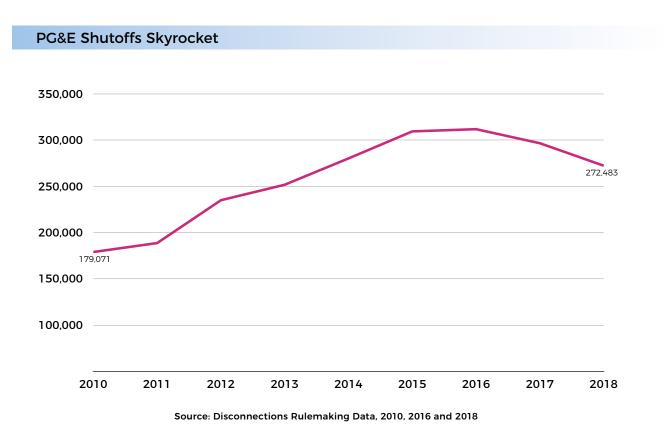
In 2018, TURN published *Living Without Power: Health Impacts of Utility Shutoffs in California* to document where shutoffs are concentrated, who suffers most and what could be done to address the statewide crisis in utility affordability. TURN was shocked to find that over 10% of customers disconnected by their utility company are never reconnected. In the context of a statewide housing crisis, we understood there is a significant relationship between being able to maintain utility service and housing security.

We extended the Power@Home Campaign to Contra Costa County in 2019 in order to look more closely at the relationship between shutoffs and housing, houselessness, and displacement.



### PG&E Shutoffs Have Skyrocketed

PG&E shutoffs increased by 74%—from 179,000 to over 312,000 between 2010 and 2016.



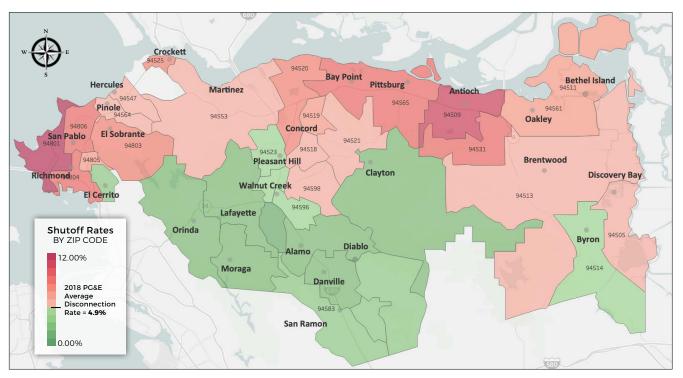
The slight decrease in shutoffs since 2016 to 272,483 in 2018 results from a CPUC resolution directing PG&E to suspend shutoffs for customers who were displaced or lost jobs due to the 2017 wildfires caused by PG&E.<sup>1</sup> Disconnection numbers continued to fall due to the CPUC Rulemaking to Consider New Approaches to Disconnections and Reconnections to Improve Energy Access and Contain Costs which placed a cap on disconnections at the end of 2018. At its peak, PG&E's shutoff rate was 5.7% and remains at 4.9%.

#### **Electric Shutoff Rates Skyrocket**

	2010	2016	2018
PG&E	3.4%	5.7%	4.9%

Source: Disconnections Rulemaking Data, 2010, 2016 and 2018

# Contra Costa Communities Hit Hard by Shutoffs Crisis



Source: Disconnection Rulemaking Data, 2018 Shutoff rates show the percentage of shutoffs per total customers. Only ZIP codes with over 100 PG&E customers are displayed.

This map indicates that Richmond and Antioch represent the Contra Costa communities hardest hit by utility disconnections. The shutoff rates in ZIP codes 94801 and 94509 are more than twice PG&E's service territory-wide disconnection rate of 4.9% for 2018.

### Black and Latino Communities Are Hit Hardest

Latinos make up only a quarter of Contra Costa County's population, yet they represent 37% of the population in Antioch and Richmond, the communities with the ZIP codes with the highest shutoff rates.<sup>2</sup>

Contra Costa's Black population is also overrepresented in these communities plagued by disconnections. Black residents are two times more likely than other customers to live in a high shutoff ZIP code. While Black residents make up less than one of every 10 Contra Costa residents, they are one out of 5 of the residents in Antioch and Richmond.

Together, Black and Latino communities represent 58% of residents living in Contra Costa's highest shutoff areas, even though they represent only 36% of residents living in Contra Costa County.

# People Living in Pittsburg, Antioch, and Richmond Hardest Hit by PG&E Shutoffs

Almost two-thirds of Contra Costa households live in ZIP codes where shutoff rates are higher than PG&E's service territory-wide shutoff rate of 4.9%.

People in parts of Richmond and Antioch are shut off at a rate two times higher than they are in other parts of PG&E's territory. These families in Richmond and Antioch experience the highest shutoff rates in the County, where PG&E conducts more than one shutoff per 10 customers.

Households in Pittsburg and Antioch ZIP codes are burdened with the highest number of disconnections in Contra Costa County—2,524 and 2,423 shutoffs, respectively.

#### Contra Costa ZIP Codes with Higher Shutoff Rates than PG&E Average

ZIP Code	City	Total Customers	Total Shutoffs	Shutoff Rate	Highest Shutoff Rates
94801	Richmond	10,001	1,131	11.3%	Shutoff Rates
94509	Antioch	23,023	2,423	10.5%	
94572	Rodeo	3,119	280	9.0%	
94806	San Pablo	20,428	1,802	8.8%	
94565	Pittsburg	29,295	2,524	8.6%	Highest Total Shutoffs
94804	Richmond	15,012	1,274	8.5%	Shutoffs
94531	Antioch	13,108	1,054	8.0%	
94520	Concord	13,146	1,015	7.7%	
94525	Crockett	1,595	117	7.3%	
94803	El Sobrante	9,688	682	7.0%	-
94561	Oakley	13,454	923	6.9%	
94548	Knightsen	263	18	6.8%	
94511	Bethel Island	1,066	72	6.8%	
94519	Concord	6,907	446	6.5%	-
94805	Richmond	5,222	327	6.3%	
94564	Pinole	7,021	410	5.8%	
94553	Martinez	19,126	1,084	5.7%	
94505	Discovery Bay	5,471	310	5.67%	
94547	Hercules	8,789	493	5.6%	
94513	Brentwood	21,333	1,166	5.5%	
94518	Bay Point	10,081	543	5.4%	
94521	Concord	16,115	822	5.1%	
94523	Pleasant Hill	14,462	711	4.9%	

Source: Disconnections Rulemaking Data, 2018



# Shutoffs Are a Hidden Driver of Housing Displacement

### Electricity Never Reconnected for 30,000 PG&E Households

For every 10 shutoffs conducted by PG&E in 2018, one household was never reconnected. The lack of energy drives tens of thousands of families from their homes. While nobody knows what happens to the families who are never reconnected, what we do know is that few people will live in a home without electricity for extended periods of time. Data from community surveys and customer interviews indicate that most people who cannot afford to restore their service end up moving, often crowding in with other family members, moving from place to place, or end up unhoused.

In 2018, there were 2,295 unhoused individuals in Contra Costa County.<sup>3</sup> For many unhoused individuals and families, utility debt can act as the final barrier to accessing housing.

	Total Disconnections	Reconnections	Never Reconnected	% Never Reconnected
PG&E	272,483	242,683	29,800	11%

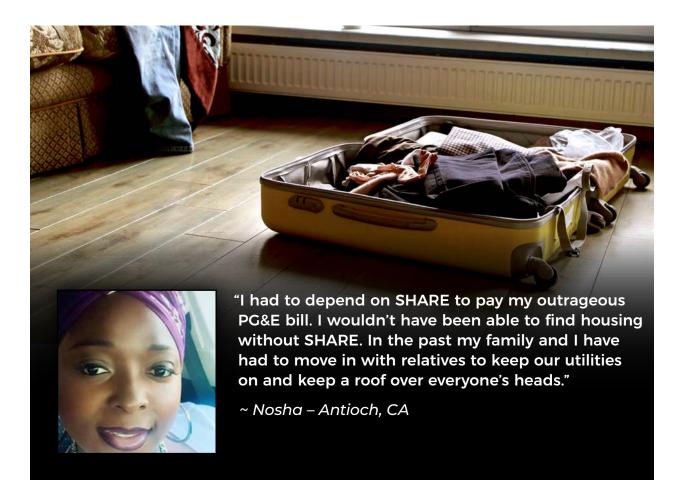
Source: Disconnections Rulemaking Data, 2018

### SHARE Program: Special Fund Prevented Displacement by Paying Utility Bills

In 2017, TURN won a \$5 million dollar shareholder fund to be used by the investor-owned utilities (IOUs)—PG&E, Southern California Edison, Southern California Gas and San Diego Gas and Electric—to pay off the backbills of families in subsidized housing facing evictions due to utility debt. The SHARE (Subsidized Housing Assistance Relief for Energy) Program also paid the backbills of houseless people for whom utility debt was the final barrier to access subsidized housing. Utility debt can act as a final and often insurmountable barrier to housing because utility service is usually a requirement for subsidized housing.

Since the launch of the SHARE Program in 2018, over 2,000 families have been housed or averted eviction in PG&E's service territory. Between August 2018 and January 2020, more than 40 families in Contra Costa benefited from this program.

The SHARE Program ended in 2019 when the investor-owned utilities refused to extend it even though Southern California Edison and Southern California Gas had not yet exhausted their funds for the program.



# Majority of Medical Baseline Customers Are Never Reconnected

Customers enrolled in the Medical Baseline program experience dismal reconnection rates. Medical Baseline is a program administered by the IOUs that helps people who have serious medical conditions and/or use medical equipment that makes it hard to afford their monthly bill. Customers who qualify for Medical Baseline can get more of their gas and electricity at lower rates. Medical Baseline is not means-tested, so any customer, regardless of income, may qualify.

Too many Medical Baseline customers are never reconnected. No one has documented what happens to them. As with regular customers, they may end up marginally housed, in a nursing home or—in the worst-case scenario—dead.

	Medical Baseline Disconnections	Reconnections	Never Reconnected	% Never Reconnected
PG&E	47	22	25	53%

Source: Disconnections Rulemaking Data, 2018

"As a senior, I worry every month about keeping my PG&E service on. The bills are too high and I have to decide whether to buy my medicine or try to keep up with the payment plan I have with PG&E. I have to keep warm or I begin to suffer from several ailments. I don't know what will happen if the rates go any higher. I'm required to keep my power on to maintain housing, so letting it just get turned off is not an option."

~ Terri – Antioch, CA



# Policy Solutions to Promote Affordable Utility and Housing

#### Hold utility companies accountable for violating consumer protections

Impose significant fines on utilities that charge customers for energy that was used by someone else, such as previous tenants at the same address or a current roommate at a different address, as well as utilities that charge customers for more than three months of a back bill due to meter or billing errors.

When utility companies break the tariffs, or rules, by charging customers for a previous tenant's bill or for a meter or billing error, customers fall behind on their bills and can end up facing shutoffs.

#### Require utilities to increase enrollment of people eligible for Medical Baseline

Develop protocols for increasing participation of people who are seriously ill or dependent on medical equipment to 80% of those eligible for Medical Baseline by contracting with public health departments that serve medically vulnerable communities. This is especially important until we find a better way to protect medically vulnerable customers during pre-emptive planned power shutoffs intended to prevent wildfires.

Sometimes additional energy usage is unavoidable, for example, when a family brings home a newborn baby, or when a family member becomes ill. Use of medical devices like nebulizers, dialysis machines or other equipment can dramatically increase monthly utility bills.

#### Earmark shareholder funds to pay the utility debt of unhoused families.

Between 2018 and 2020, the SHARE Program (Subsidized Housing Assistance Relief for Energy), funded with \$5 million in shareholder contributions, paid off the debt of more than 3,000 families in California, allowing them to access subsidized housing or to avoid eviction from subsidized housing.

A growing number of unhoused families are unable to access housing due to utility debt. Because utility service is a condition of subsidized housing leases, people with utility debt can be evicted from or refused access to subsidized housing.

#### Link utility payment obligations with household income

Develop Percentage of Income Payment plans (PIPP) that guarantee continuous utility service for any household that makes a monthly payment that corresponds to how much they can afford, regardless of the size of their bill. Forgive a portion of a household's back bills each time they make an affordable monthly payment.

### Endnotes

1. California Public Utilities Commission, (November 13, 2017). Resolution: Emergency Authorization and Order Directing Utilities to Implement Emergency Consumer Protections to Support Residential Customers of the October 2017 California Wildfires. http://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M198/K906/198906542.PDF

2. Based on July 2018 US Census Data, https://www.census.gov/quickfacts/fact/table/CA/PST045218

3. Contra Costa Health Services, Health, Housing and Homeless Services Division. (August 2019). Contra Costa County Homeless Continuum of Care 2018 Annual Report. https://cchealth.org/h3/coc/pdf/Annual-Report-2018.pdf

### TURN believes no one should be cut off from essential electricity, gas or phone service. We hold utility corporations accountable by demanding fair rates, clean energy and strong consumer protections.

Since the launch of the Power@Home Campaign, PG&E began using large-scale, deliberate power shutoffs in an effort to prevent wildfires. While this report focuses on shutoffs due to inability to pay, TURN acknowledges any shutoff threatens the health and safety of residents, and all shutoffs should be minimized.

Due to the novel coronavirus crisis, the investor-owned utilities—including PG&E have implemented a year-long moratorium on utility disconnections beginning in April 2020.

Now is the time to advocate for policies to protect consumers from the onslaught of shutoffs that will follow the end of the moratorium!

TURN invites you to join our efforts to ensure universal utility service is available for everyone by signing up at

### TURN.org/actions



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